

MANAGEMENT PROGRAMME

Term-End Examination

December, 2015

01100

**MS-29 : INTERNATIONAL HUMAN RESOURCE
MANAGEMENT**

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

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- Note :**
- (i) *There are two Sections - A and B.*
 - (ii) *Attempt any three questions from Section-A, each question carries 20 marks.*
 - (iii) *Section-B is compulsory and carries 40 marks.*
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SECTION - A

1. Briefly describe Hofstede's Framework of Cultural differences and discuss the strategies to deal with cultural differences in business environment.
2. Discuss how Cultural factors affect the remuneration package in international context and briefly describe different approaches followed by MNCs in compensating expatriate employees.
3. What are the Qualities required for a leader in Global Context to be effective. Give examples.
4. Specify the key issues in International employee relations and how they can be addressed in Multi-national context. Illustrate with an example.

5. Write short notes on any three of the following :
- (a) Approaches of the staffing of MNCs.
 - (b) Designing effective Cross-Cultural Programmes.
 - (c) Role of HR in Mergers and acquisitions.
 - (d) Talent Management
 - (e) Equity theory

SECTION - B

6. Read the following case carefully and answer the questions given at the end :

Annette Dailliez, ATZ Head Plant Manager, was stunned when she returned from an extended vacation and heard that her recently promoted plant manufacturing manager, Aran Trakanthannarong, a Thai national with strong potential for the firm, was planning on leaving the company in two weeks. Several other Thai employees who had worked with the plant for over four years had already left abruptly. What could possibly have gone wrong over the past seven weeks ?

Annette was a French expatriate and had worked for the past fifteen years in various departments and functional areas at ATZ headquarters in Montanay, France. ATZ is a French manufacturer of chemicals for the leather industry, with products covering the complete range of the leather - manufacturing process. From her beginning with ATZ Annette had expressed a strong interest in gaining international work experience and jumped at the opportunity three years ago in taking over the head plant manager position at ATZ's five-year-old manufacturing facility in Nonthaburi, Thailand, immediately to the north of Bangkok. Annette

had seen a considerable growth of business over the past three years, with continued projected growth to meet the demand of opening and strengthening markets in Asia. From the beginning of her expatriate assignment, Annette was convinced that Thai workforce training was critical to building needed employee skills and local Thai managerial talent for the future.

Annette had been impressed soon after her arrival by Aran's strong interest as an entry-level employee on the production line in taking advantage of company - sponsored technical training as well as French language instruction offered in the evenings at a local foreign language institute. Aran was an excellent employee, who was responsible and careful in his work and got along well with his fellow Thai employees. Within a year he was promoted to a supervisory position.

During an earlier performance review with Annette, Aran expressed a strong interest in a future promotion to a management level when the plant had grown enough to warrant this position. Annette was pleased a few months ago when she received the approval from headquarters for a new plant manager position, where Aran now would serve a key liaison role between the lower-level Thai operative employees and her and other newly arrived French expatriates. These new French expatriates were assigned to build up the plant's sales, finance, and chemical engineering operations. Annette felt very satisfied with her progress as she headed back to France for a well - deserved seven-week vacation that she had been postponing for much too long.

Upon her return, and hearing of Aran's planned departure, Annette called a quick meeting with the other French expatriates to try to determine from their perspective what had happened. She then planned to meet with Aran and hopefully succeed in getting him to reconsider his resignation. From what she learned, apparently two of the new French expatriates had unknowingly made a new policy decision that contradicted an existing plant employee work-flexibility benefit, which affected most of the employees. Only until recently had they learned that this change created considerable resentment among the employees, who had asked Aran to correct the expatriates. But according to one employee who was a cousin of Aran, he was very hesitant to correct the expatriates, feeling it was not his job or station to criticize them. In addition, in developing their own workforce departmental teams, the more rigid, controlling behaviors of the French expatriates began to bother the Thai employees who were used to a more relaxed team-oriented Thai working style. They didn't understand why these French expatriates behaved differently, and Aran was unable to give them an adequate explanation. Despite their complaints to Aran, he still refrained from sharing this information with the expatriates - even though the expatriates had repeatedly requested for him to share any advice on how they could avoid difficulties due to their lack of familiarity with Thai culture. Aran also was feeling very stressed out and not sleeping well due to the increasing conflicts he was feeling at work. Finally, six long-time employees who had been friends of Aran accused him of being disloyal to

his own people in preference to foreigners and promptly walked off the job, causing a major breakdown in plant operations. After a few days, Aran concluded that he had let down the Thai employees as well as the company and decided that he should resign.

Questions :

1. Even though Annette demonstrated a strong commitment to host country workforce training, is there any evidence that Aran was inadequately prepared for his new management position ?
 2. What kind of preparatory training could have been helpful for Aran to avoid the difficulties he experienced ? What kind of training could have been helpful for the general Thai workforce at ATZ ? What are some possible ways in which this training for Aran and the other HCN workers could be provided effectively ?
 3. What recommendations do you have for Annette as she plans for her meeting with Aran ?
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